India. First, the Cash Reserve Ratio (CRR) to be maintained by the scheduled commercial banks against their net demand and time liabilities (NDTL) was increased from 10 per cent to 11 per cent, effective August 29, 1998 in order to absorb excess liquidity. Second, vigorous open market operations by the Reserve Bank coupled with increase in repo rates from 5 per cent to 8 per cent on August 20, 1998 has contributed to the decline in monetary growth.

World Bank Prediction Regarding Slowing down of Global Economy

2570. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether Governmnt are aware of the news-item which appeared in Hindustan Times dated the 3rd December 1998 captioned "poor nations to be worst hit by global slump" regarding global economy slow down as predicted by World Bank;

(b) whether the worst scenario apprehended by World Bank which forecast severe recession in 1999 and the negative growth of per-capita income of developing countries including India; and

(c) if so, what steps Government propose to take to tackle this ticklish problem?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes, Sir.

(b) The World Bank in its report "Global Economic Prospects and the Developing Countries 1998/1999" has observed that Brazil, Indonesia, Russia and other developing and transition countries are likely to see negative per capita growth this year. It further says that although 1999 is likely to be another year of slow growth in developing countries, their situation could improve in 2000. It points out that much of the slowdown in developing economies is due to the unprecedented depth and severity of the recession in the crisis countries of East Asia and its contagion effect on the rest of the world.

(c) Government of India continues to monitor the progress of the economy and formulate policies for better growth and development. Government have initiated a wide range of measures through the Union Budget and subsequently to revive growth of agriculture, increase public and private investment in key infrastructure sectors, reinvigorate industry and strengthen the financial and external sector of the economy.

RBI Directive for Re-Scheduling of Loans of Cotton Farmers

2571. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has given a directive to banks in Andhra Pradesh to re-schedule loans of cotton farmers;

(b) if so, what are the details thereof;

(c) whether such directives would also apply to other crops which have failed; and

(d) if not, the reasons for not extending relief to other crops affected by natural calamities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) to (d) Reserve Bank of India (RBI) has reported that it has not given any directive to banks in Andhra Pradesh to re-schedule loans of cotton grower farmers, in particular. However, due to the extreme distress caused to the farmers in Andhra Pradesh by extensive damage to the crops affected by pests and drought severely impairing the repaying capacity of the borrowers, a relief package was extended to the affected farmers in Andhra Pradesh as a special case. RBI has issued instructions in this regard to the State Level Bankers Committee Con-

venor Bank i.e. Andhra Bank in February, 1998 and April, 1998. These relief measures include no recovery of either principal or interest from the affected farmers for a period of two years; conversion/reschedulement of loan for a period of 7 years excluding initial moratorium period of two years; and sanction of fresh crop loans to the affected farmers, etc. The above mentioned relief measures are also, inter-alia, applicable to cotton growers.

Golden Jubilee Rural Housing Finance Scheme

2572. SHRI LAKKHIRAM AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) what are the details of the Golden Jubilee Rural Housing Finance Scheme announced by Finance Minister during the current year; and

(b) the details of the guidelines and the amount to be disbursed under the Scheme during the current year and 1999-2000?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) In pursuance of Finance Minister's Budget speech 1997-98, a special rural housing scheme known as Golden Jublee Rural Housing Finance Scheme (GJRHFS) was formulated and launched by National Housing Bank (NHB) on 15th August, 1997. For the first year disbursement target under the scheme was 50,000 numbers of loans for a total amount of Rs. 500 crore to be undertaken by various categories of retail lending institutions including the scheduled commercial banks scheme envisages provision of institutional credit upto Rs. 2 lakhs to individuals desirous of acquiring a new dwelling unit and upto Rs. 50,000/- for improving or addition to the existing dwelling unit in rural areas. During the current year i.e. 1998-99 a target of financing one lakh houses under the scheme has been set. Although no specific amounts has been indicated for this purpose, it is likely to be of the order of 1000 crores. Planned disbursement under the scheme for 1999-2000 has not been projected. The ceiling for granting loans under the captioned scheme has since been raised from Rs. 2 lakhs to Rs. 5 lakhs.

The advances granted under the scheme will be reckoned as Priority Sector advances of the bank.

New Policy Package to ease Excise Laws for Warehouses

2573. SHRI GOVINDRAO ADIK: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to formulate a new policy package to ease excise laws for warehouses;

(b) if so, the details of the proposal and changes proposed to be effected in the Central Excise Act and Rules, procedural simplification and implications thereof;

(c) what is the time schedule for implementation of the changes proposed and present status of the proposal; and

(d) what is the reaction of Central warehousing and other related organisations to be proposed changes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) The Government has already implemented a newly formulated policy package for applying the warehousing procedures to excisable export goods by notification No. 2698-CE(NT) dated 15.7.98 and orders issued there under. This scheme is presently applicable to exports by Super Star Trading Houses, Star Trading Houses and Foreign Departmental Stores of repute. The warehouses can be established at Ahmedabad, Bangalore, Calcutta, Chennai, Delhi, Hyderabad, Kanpur, Jaipur,